

## Department of Justice

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## CURRENT AND FORMER EXECUTIVES OF AN AUTOMOTIVE PARTS MANUFACTURER INDICTED FOR ROLES IN CONSPIRACY TO FIX PRICES – INVESTIGATION HAS RESULTED IN CHARGES AGAINST 90 INDIVIDUALS AND CORPORATIONS

WASHINGTON — A Detroit federal grand jury returned a one-count indictment against two executives of a Japanese automotive parts manufacturer for their participation in a conspiracy to fix prices and rig bids of automotive parts, the Department of Justice announced today.

The indictment, filed today in the U.S. District Court for the Eastern District of Michigan, charges Norio Teranishi, formerly of NGK Spark Plug Co. Ltd., and Hisashi Nakanishi of NGK Spark Plug, with conspiring to fix the prices of spark plugs, standard oxygen sensors, and air fuel ratio sensors, sold to DaimlerChrysler AG, Ford Motor Company, Fuji Heavy Industries (Subaru), General Motors Company, Honda Motor Company Ltd., Nissan Motor Co. Ltd., Toyota Motor Corporation, and certain of their U.S. subsidiaries.

Teranishi is the former General Manager of Sales and Vice-Head of the Automotive Component Group at NGK Spark Plug. During the alleged conspiracy, Nakanishi served as the Managing Director of NGK Spark Plug Europe.

The indictment alleges, among other things, that beginning at least as early as January 2000 and continuing until at least July 2011, Teranishi and Nakanishi, and their co-conspirators participated in, and directed, authorized or consented to the participation of subordinate employees in, meetings with co-conspirators and reached collusive agreements to rig bids, allocate the supply, and fix the price of spark plugs, standard oxygen sensors, and air fuel ratio sensors sold to certain automobile manufacturers, in the United States and elsewhere.

"As a result of Antitrust Division's automotive parts investigation, more than 50 individuals have been held accountable for corrupting the competitive process in this important global market," said Deputy Assistant Attorney General Brent Snyder of the Antitrust Division's Criminal Enforcement Program. "The Antitrust Division will continue to vigorously prosecute those individuals who engaged in criminal antitrust violations in this vital market."

"The criminal manipulation of the global automotive parts market through price fixing and bid rigging is a serious offense," stated Special Agent in Charge Paul M. Abbate of the FBI's Detroit Field Office. "The FBI, together with the Department of Justice Antitrust Division, will

continue to aggressively pursue those who seek to commit criminal antitrust violations in order to gain a competitive advantage through corruption of the global marketplace."

NGK Spark Plug is a corporation organized and existing under the laws of Japan with its principal place of business in Nagoya, Japan. On Oct. 8, 2014, NGK Spark Plug pleaded guilty and agreed to pay a \$52.1 million criminal fine for its role in the conspiracy.

Including Teranishi and Nakanishi, 55 individuals have been charged in the government's ongoing investigation into market allocation, price fixing and bid rigging in the automotive parts industry. Additionally, 35 companies have pleaded guilty or agreed to plead guilty and have agreed to pay a total of more than \$2.5 billion in criminal fines.

Teranishi and Nakanishi are charged with price fixing and bid rigging in violation of the Sherman Act, which carries a maximum penalty of 10 years in prison and a \$1 million criminal fine for individuals. The maximum fine for an individual may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

Today's indictment is the result of an ongoing federal antitrust investigation into price fixing, bid rigging and other anticompetitive conduct in the automotive parts industry, which is being conducted by the Antitrust Division's criminal enforcement sections and the FBI. Today's charge was brought by the Antitrust Division's Washington Criminal I Section and the FBI's Detroit Field Office, with the assistance of the FBI headquarters' International Corruption Unit. Anyone with information on price fixing, bid rigging and other anticompetitive conduct related to other products in the automotive parts industry should contact the Antitrust Division's Citizen Complaint Center at 888-647-3258, visit www.justice.gov/atr/contact/newcase.html or call the FBI's Detroit Field Office at 313-965-2323.

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